New drug pricing norms

512. SHRIMATI JAMANA DEVI BARUPAL:
DR. T. SUBBARAMI REDDY:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether his Ministry has decided to apply the new drug pricing norms soon;

(b) whether it is a fact that price escalation in the controlled drugs was phenomenal due to loopholes in retail pricing mechanism;

(c) whether any formula is being worked out whereby the weighted average of the sales-tax and octroi would be taken into account for arriving at the final retail price of a medicine;

(d) if so, the details of formula to be reached; and

(e) by when it is likely to be announced?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI K. RAHMAN KHAN): (a) Presently, the Drugs (Prices Control) Order, 1995 is in force. Pricing aspect of the Pharmaceutical Policy, 2002, announced in February, 2002 is before the Supreme Court in SLP (C) No. 3668/2003.

(b) No, Sir.

(c) No, Sir.

(d) and (e) Do not arise in view of reply to (c) as above.

Centralisation of drug control machinery

513. SHRI RAVULA CHANDRA SEKAR REDDY: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government propose to centralize the drugs control machinery in the country;

(b) if so, the details thereof; and

(c) by when norms and practices in this regard be made uniform in all the States?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI K. RAHMAN KHAN): (a) to (c) The Government have constituted the National Pharmaceutical Pricing Authority (NPPA), an expert body with powers, *inter-alia*, to fix prices and notify the changes therein, if any, of bulk drugs and formulations, from time to time under the Drugs (Prices Control) Order, 1995 (DPCO, 1995). Prices notified/fixed by the NPPA are applicable to manufacturers/ importers in all the States/Union Territories in the country.

VSS compensation to HFC and FCI ex-employees

514. SHRI DIPANKAR MUKHERJEE: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the training period followed by regular employment of ex-employees of HFC and FCI separated through VSS after closure of these units has been counted for the purpose of calculation of VSS compensation and statutory gratuity; and

(b) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI K. RAHMAN KHAN): (a) No Sir.

(b) Inclusion or exclusion of the training period of the employees as part of regular employment is to be decided by the management of the PSU keeping in view the terms of appointment at the time of their induction. This falls within the purview of the enterprises. As VRS is available to the employees below board level, the managements of PSUs are competent to take decision in specific cases as per Service Rules/ conditions of the CPSU.

Ex-employees of HFC and FCI

515. SHRI DIPANKAR MUKHERJEE: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether after the closure of HFC and FCI, employees separated through VSS after completion of 30 years of service, have been granted 60 months salary as admissible as per clause 5(ii) of DPE's OM No. 2(32)/97-DPE(WC) dt. 5.5.2000; and

(b) if not, the reasons therefor?